

exercise of section 706 authority for incumbent LECs to be partially conditioned on the new entrants' own business plans and decisions (*e.g.*, when, where, and how to enter a local exchange market).<sup>12</sup> SBC submits that Congress did not condition section 706 so as to permit rural America to be held hostage to new entrants who cannot find enough cream to skim to make rural areas worth their while.<sup>13</sup> In fact, so important was the goal of deploying advanced telecommunications capability that Congress included the same concept as a principle of universal service, with a special emphasis for schools and libraries. *See* 47 U.S.C. §§ 254(b)(2), (6). Section 706 must be read as providing independent authority, separate and distinct from section 10, in order to ensure that "all Americans" are included in the on-going technology revolution.

### **Conclusion**

In sum, Congress has directed affirmative action by the Commission to actively spur on deployment of advanced telecommunications capability for "all Americans". To do so, Congress

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<sup>12</sup> In light of the approach taken by the Commission in determining whether a BOC has met the section 251(c) portions of the competitive checklist of section 271, those new entrants are undoubtedly counting on their interpretation coupled with the "fully implemented" language of section 10(d) to block an incumbent LEC from getting relief it may need from section 251(c) or 271 to deploy the Congressional-favored technologies notwithstanding the detrimental effect on achieving the objective of section 706.

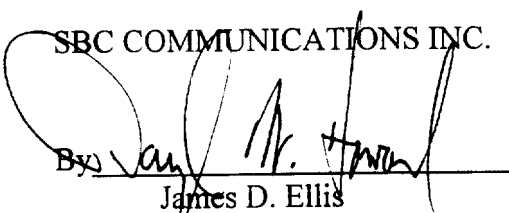
<sup>13</sup> The legislative history is to the contrary. *See* 141 Cong. Rec. S 7942, Hon. Ted Stevens, Senator from Alaska ("We are talking about telecommunications connections which will enable people in rural America to have computer services just like everyone else."); 142 Cong. Rec. H 1145, Hon. Blanche Lambert Lincoln, Representative from Arkansas ("[M]y primary concerns during these negotiations and among the conferees has been ensuring that people who live in rural areas will have access to the same advanced technology and competition that we are seeking for the country and at affordable prices.").

granted the FCC separate authority under section 706 that is not subject to the standards and limitations of section 10. The Commission thus has an obligation to encourage incumbent LECs -- including those that are also BOCs -- to deploy advanced telecommunications capability and to use the regulatory tools authorized by section 706 to so encourage.

Respectfully submitted,

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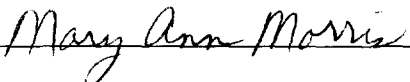
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## **CERTIFICATE OF SERVICE**

I, Mary Ann Morris, hereby certify that the foregoing, "CONSOLIDATED  
REPLY COMMENTS OF SBC COMMUNICATIONS INC.," in CC Docket Nos. 98-11,  
98-26 and 98-32 have been filed this 6<sup>TH</sup> day of May, 1998 to the Parties of Record.

  
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